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SUBJECT: Synchronization of Agency Objectives with Agency Resources

Inspections during the past two years have revealed several problems which can be traced to straightened resources -- money, manpower and facilities -- unmatched by compensatory adjustments in mission and objectives. While the fast decline of covert action in recent years has justified reductions in manpower and budgets, it is our opinion that CIA's mission/resource equation may need further adjustment. The health of the Agency will ultimately depend upon its professional effectiveness. Its effectiveness will depend on a realistic definition of mission and on objectives which fit the capacity of the resources allotted to the job. Philosophically, it is preferable for CIA to do fewer things very well rather than more things less well. The following are some symptoms, possibly indicating a stretching of resources:

A. Headquarters staffing is thin, in places, giving rise to bare spots and churning. Headquarters staffing, particularly in the DO, is characterized by rapid turnover and oftentimes green incumbents. NFAC, as pointed out by a recent inspection report, is thin on expertness in some areas of critical importance to U.S. policy makers.

B. Manpower commitments are excessive to the product obtained. A possible example of this can be seen in the collection of information on drug trafficking. While drug-related intelligence is excellent, there is doubt as to DEA's ability to use it to good advantage in reducing trafficking to the U.S.

C. Inadequate manpower commitments to vital programs. The shortage of Headquarters personnel has cut into important training and rotational assignments. There is, for example, a serious shortage of Agency linguists, yet the language-training resources are not kept busy because officers cannot be spared for language instruction. Rotational assignments designed to broaden potential supergrades or to provide qualified instructors on rotational assignments for training facilities are becoming more difficult to make.

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TAB D

D. The Staff structures in the Agency may be too large in comparison to the line components they serve.

DISCUSSION

If Agency resources -- people, money, facilities -- are inadequate to perform all the assigned missions effectively, there would appear to be three theoretical courses of action available:

- Seek and obtain additional resources adequate to the task.
- Scale down the task so that the available resources are adequate to it.
- Satisfy ourselves with doing more things less well.

Realistically, only the first two options are acceptable. On the one hand, a comprehensive case can be made for the minimum adequate resources implied by present and emerging missions. While this resource package would be demonstrably austere, it might also be adequate. On the other hand, a strategy for elimination of certain mission elements could be prepared, with each element costed out so that the resource impact of its deletion could be readily appreciated.

The preferred solution, obviously, is acquisition of supplemental resources adequate to permit the full range of tasks to be performed at minimally acceptable levels. The case for this would take into account the increasing intelligence requirements of Agency customers, the heightened appreciation of the importance of intelligence as a result of recent international developments, the increasingly challenging target environment, new pressures for covert action to cope with global trouble spots, inflation and other external factors which serve to exacerbate the effects of already declining resources. This case is a strong and factual one, beyond the control of Agency managers, and can be made without apology.

Should this strategy be unrealistic at a time of government-wide cutbacks in budget, then Agency management would be impelled to propose to the NSC and the President implementation of the alternative, which is to scale the mission down to accord

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with the resources available, pending some future period in which more adequate resources might be provided. Such scaling down involves establishing priorities, themselves the product of hard choices. More importantly, it involves living with and accepting the consequences of those choices and priorities.

Perhaps two key points should be emphasized:

-- To pretend that we can do an adequate job of fulfilling the full range of assigned tasks, when in our professional judgement we know that this is not possible, in view of declining resources, would be both misleading and likely to bring about even further criticism of the Agency's performance when inevitably we fall short in a critical area due to lack of the necessary wherewithal. The result would be erosion of our professional reputation and institutional morale, which should not be permitted.

-- The strategy for decrementing the mission must be very well done, so that the remaining tasks constitute those which are the core of the Agency's unique capabilities and reason for being, that is the capability for clandestine activities and for production of accurate finished intelligence.

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